

IN THE SUPREME COURT OF NEW ZEALAND

I TE KŌTI MANA NUI

SC 32/2019
[2020] NZSC 110

BETWEEN INTERNATIONAL CONSOLIDATED
BUSINESS PROPRIETARY LIMITED
Appellant

AND SC JOHNSON & SON INCORPORATED
Respondent

Hearing: 20 February 2020

Court: Winkelmann CJ, Glazebrook, O'Regan, Ellen France and
Williams JJ

Counsel: G C Williams for Appellant
G F Arthur and K McHaffie for Respondent

Judgment: 15 October 2020

JUDGMENT OF THE COURT

A The appeal is dismissed.

**B The appellant must pay the respondent costs of \$10,000
plus usual disbursements.**

REASONS

(Given by Glazebrook J)

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Introduction

[1] The issue in this appeal is whether the trade mark application 975954 for ZIPLOC by SC Johnson & Son Inc (Johnson) should proceed to registration.

[2] International Consolidated Business Pty Ltd (ICB) held a registered trade mark (648953) for ZIPLOC from 8 June 2006, with a deemed date of registration of 22 November 2001. Johnson filed a revocation application against ICB's trade mark 648953 on 22 April 2013. On 26 June 2014, that trade mark was revoked for non-use as at 22 April 2013.¹

[3] Three days before Johnson's revocation application was filed, on 19 April 2013, Johnson applied to register the trade mark 975954 (Johnson's April application). ICB filed a further application for registration of the mark on 26 September 2014 (ICB's September application).²

¹ *International Consolidated Business Pty Ltd v SC Johnson & Son, Inc* [2014] NZIPOTM 27 (Assistant Commissioner Alley) at [70].

² Under application number 1005952.

[4] Because it was filed later than Johnson’s April application, ICB’s September application was held in abeyance pending processing of Johnson’s April application.³

[5] ICB opposed Johnson’s April application for registration on four grounds. Two of these remain relevant for this appeal:

- (a) the application for registration was not made by a person who at the relevant date was the owner or proprietor of the mark as required by s 32(1) of the Trade Marks Act 2002 (the 2002 Act); and
- (b) the mark was identical to a trade mark which at the relevant date belonged to a different owner, namely ICB, registered in respect of the same goods, contrary to s 25(1)(a) of the 2002 Act.

[6] In a decision of 17 January 2017, the Assistant Commissioner of Trade Marks held that Johnson’s application should not proceed to registration because, at the date of Johnson’s April application, ICB was still the registered owner of its ZIPLOC mark.⁴ While she held there to be special circumstances under s 26(b) of the 2002 Act, this did not, in her view, remove the ownership impediment to Johnson’s registration.⁵

[7] This decision was partially overturned by the High Court and the matter was remitted to the Assistant Commissioner for further determination of the ownership issue.⁶

[8] The Court of Appeal, however, held that Johnson’s April application could proceed to registration because the register is judged at the time a mark is entered onto

³ Trade Marks Act 2002 (2002 Act), s 44(2)(b). See also New Zealand Intellectual Property Office “Practice guidelines: Examination of trade mark applications” (15 May 2017) <www.iponz.govt.nz> at [5].

⁴ *SC Johnson & Son, Inc v International Consolidated Business Pty Ltd* [2017] NZIPOTM 4 (Assistant Commissioner Alley) [Assistant Commissioner decision] at [84]–[85]. The Assistant Commissioner also held that ICB was the owner of the mark until 22 April 2013, aside from its registration: at [30].

⁵ At [81]–[82].

⁶ *S C Johnson & Son Inc v International Consolidated Business Pty Ltd* [2017] NZHC 3238 (Cull J) [HC judgment] at [157]–[159].

the register and not at the time of application.⁷ This conclusion largely rested on its interpretation of s 68(2) of the 2002 Act.

[9] This Court granted ICB’s application for leave to appeal on 9 July 2019.⁸ The approved question was whether the Court of Appeal interpreted s 68(2) of the 2002 Act correctly. Leave on wider ownership questions was refused. But it was accepted that leave encompassed what the legal position would be if this Court holds that the Court of Appeal’s interpretation of s 68(2) was incorrect.

Issues

[10] The issues in the appeal are:

- (a) When is the state of the register assessed for the purpose of ascertaining whether there are competing marks?
- (b) Does the application date for a mark remain relevant if the answer to (a) is that the register is assessed at the date of entry onto the register?
- (c) Was ICB the owner of the ZIPLOC trade mark at the date of Johnson’s application?
- (d) What is the effect of s 26 of the 2002 Act?

The legislation

[11] We set out the provisions of the 2002 Act relevant to the first two issues.

[12] “Owner” is defined in s 5(1) as follows:

owner,—

- (a) in relation to a registered trade mark that is not a certification trade mark or a collective trade mark, means the person in whose name the trade mark is registered; and

⁷ *International Consolidated Business Pty Ltd v SC Johnson & Son Inc* [2019] NZCA 61, [2019] 3 NZLR 318 (Kós P, French and Brown JJ) [CA judgment] at [84] and [98].

⁸ *International Consolidated Business Pty Ltd v S C Johnson & Son Inc* [2019] NZSC 71 (Glazebrook, O’Regan and Williams JJ) [Leave judgment].

...

- (d) in relation to an unregistered trade mark, means the person who owns all of the rights in the mark

[13] Section 13 provides:

13 When trade mark registrable

- (1) If all the requirements set out in subsection (2) are met, a trade mark is registrable under this Act in respect of the following:
 - (a) particular goods or services within 1 or more classes:
 - (b) particular goods and services within 1 or more classes.
- (2) The following requirements must be met:
 - (a) an application for the registration of the trade mark must be made in accordance with this Act:
 - (b) all prescribed fees, if any, must be paid in respect of the application:
 - (c) the Commissioner must be satisfied that there are no absolute or relative grounds set out in this Part that would prevent the registration of the trade mark.

[14] Section 32(1) addresses how applications must be made. It provides:

- (1) A person claiming to be the owner of a trade mark or series of trade marks may, on payment of the prescribed fee (if any), apply in the prescribed manner (if any) for the registration of the trade mark or series of trade marks used or proposed to be used in respect of the following:
 - (a) particular goods or services within 1 or more classes:
 - (b) particular goods and services within 1 or more classes.

[15] The phrase “claiming to be the proprietor” was present in s 26(1) of the immediately preceding Act, the Trade Marks Act 1953 (the 1953 Act). Section 32(1) of the 2002 Act as originally introduced did not have a similar phrase. The words “claiming to be the owner” were inserted in 2005 to clarify that it is the “owner of the trade mark who applies for its registration”.⁹

⁹ Statutes Amendment Bill (No 5) 2005 (249-1) (explanatory note) at 12. See Trade Marks Amendment Act 2005, s 6. The Court of Appeal has held that “proprietorship” is equivalent to its newer counterpart “ownership”: *North Face Apparel Corp v Sanyang Industry Co Ltd* [2014] NZCA 398 at [20].

[16] Section 44 addresses the abandonment of applications for registration. It provides:

44 Abandonment of application

- (1) If, within the time specified by the Commissioner, the Commissioner does not receive a response from the applicant to a notification under section 41, the Commissioner must treat the application as abandoned.
- (2) The Commissioner must not treat an application as abandoned under subsection (1) if the application is awaiting the outcome of—
 - (a) opposition proceedings in respect of a prior application; or
 - (b) cancellation, revocation, or invalidity proceedings in respect of a prior registration.

[17] Sections 66 and 68 address revocation of registration of a trade mark. Section 66 provides in relevant part:¹⁰

66 Grounds for revoking registration of trade mark

- (1) The registration of a trade mark may be revoked on any of the following grounds:
 - (a) that at no time during a continuous period of 3 years or more was the trade mark put to genuine use in the course of trade in New Zealand, by the owner for the time being, in relation to goods or services in respect of which it is registered:

...
- (1A) For the purposes of subsection (1)(a), **continuous period** means a period that commences from a date after the actual date of registration and continues uninterrupted up to the date 1 month before the application for revocation.
- (2) However, despite subsection (1), a trade mark may not be revoked for its non-use if its non-use is due to special circumstances that are outside the control of the owner of the trade mark.
- (3) The registration of a trade mark must not be revoked on the ground in subsection (1)(a) if that use is commenced or resumed after the expiry of the 3-year period and before the application for revocation is made.

¹⁰ Section 66(1)(a) as it read at the time leave was granted was enacted by s 7(1) of the Trade Marks Amendment Act 2011, which replaced para (a) and repealed the earlier para (b), which read “except as provided in subsection (3), that the use of the trade mark has been suspended for an uninterrupted period of 3 years”. A new subsection, s 66(1A), was also added by s 7(2) of the Trade Marks Amendment Act 2011. In essence, these changes clarified what “continuous period” means. Section 66(1)–(3) has, since leave was granted, been amended by s 130 of the Regulatory Systems (Economic Development) Amendment Act 2019. The amendments were technical rather than substantive.

- (4) Any commencement or resumption of use referred to in subsection (3) after the expiry of the 3-year period but within the period of 1 month before the making of the application for revocation must be disregarded unless preparation for the commencement or resumption began before the owner became aware that the application may be made.

[18] Section 68 provides in relevant part:¹¹

68 Revocation of registration of trade mark

...

- (2) If the registration of a trade mark is revoked to any extent, the rights of the owner, to that extent, cease on—
- (a) the date of the application for revocation of the registration of the trade mark; or
 - (b) if the Commissioner or the court is satisfied that the grounds for revocation of the registration of the trade mark existed at an earlier date, that date.

[19] It is worth noting that the register must record the actual date of registration, the deemed date of registration and the date of application for registration in New Zealand.¹² Section 5(1) defines the “actual date of registration” as the date a trade mark is entered on the register by the Commissioner under s 51(a), and the “deemed date of registration” as the date of the application (where it is not an application to which s 36 applies).

Decisions below

[20] We now turn to the decisions below on the first two issues.

Assistant Commissioner’s decision

[21] In her decision of 17 January 2017, the Assistant Commissioner upheld ICB’s first ground of opposition: Johnson’s April application for registration was not made by a person who at the relevant date was the owner of the mark. She held that it was necessary for an applicant to prove ownership at the date of application for registration

¹¹ Section 68(1) was also amended recently, by s 131 of the Regulatory Systems (Economic Development) Amendment Act. Again the amendment is technical rather than substantive. Section 68(2) was not amended.

¹² 2002 Act, s 182(b).

(in this case Johnson’s application was made on 19 April 2013).¹³ Revocation did not take effect until 22 April 2013 (the date of Johnson’s revocation application).¹⁴ On 19 April 2013, Johnson was not the owner of the ZIPLOC mark because ICB was the registered owner.¹⁵ The same outcome (that ICB was the owner of the mark on 19 April 2013) would be achieved by the application of the criteria for a legitimate claim to proprietorship set out in *Newnham v Table for Six (1996) Ltd.*¹⁶

[22] ICB’s ground of opposition based on s 32(1) of the 2002 Act therefore succeeded and Johnson’s April application was declined.¹⁷

High Court decision

[23] On appeal to the High Court, Cull J backdated the revocation date of ICB’s registered trade mark to 19 April 2013, the date of Johnson’s April application for registration.¹⁸ This meant that ICB was not the registered owner of the ZIPLOC trade mark on the date of Johnson’s application. The High Court remitted the question of whether ICB or Johnson owned the mark at that date for further consideration by the Assistant Commissioner.¹⁹

¹³ Assistant Commissioner decision, above n 4, at [14]–[15].

¹⁴ At [23].

¹⁵ At [30]. She held that Johnson’s application was prohibited from proceeding for registration due to the combined effect of ss 5(1), 13, 32(1), and 68(2)(b) of the 2002 Act: at [39].

¹⁶ At [20] and [39]. In *Newnham v Table for Six (1996) Ltd* (1998) 44 IPR 269 (HC) at 278, the Court accepted that a claim for ownership under s 26 of the Trade Marks Act 1953 (1953 Act) must be a “legitimate” claim in the sense outlined in Andrew Brown and Anthony Grant *The Law of Intellectual Property in New Zealand* (Butterworths, Wellington, 1989) at [2.8]. The requirements stated in Brown and Grant for a “legitimate” claim to ownership are: (a) there is no prior use or prior assertion of ownership; (b) the applicant is using or has a sufficiently definite intention to use the mark; and (c) there is no fraud or breach of duty involved.

¹⁷ At [84]–[85].

¹⁸ HC judgment, above n 6, at [101]. This finding was discussed by the Court of Appeal: CA judgment, above n 7, at [36]–[45]. It held at [44] that, even if there had been a factual foundation enabling Johnson to request an earlier effective date of revocation, the time for consideration of that matter was at the determination of the revocation application in June 2014 and it was not a matter that could be revisited by the Assistant Commissioner in her 2017 decision on Johnson’s April registration application. This meant the High Court also had no jurisdiction to revisit the matter: at [42]. Johnson did not attempt to defend the High Court finding before either the Court of Appeal or this Court. We thus make no comment on whether or not the Court of Appeal was correct on this point.

¹⁹ At [154].

Court of Appeal decision

[24] The Court of Appeal noted that the 1953 Act was silent as to the effective date of revocation of trade marks removed from the register but that the accepted view appeared to be that revocation was effective only on the date of the removal order.²⁰ Despite this, the law permitted the filing of an application to register a mark even if there was an identical mark registered to another party at the time of application. The Court accepted Johnson’s submission that, before 2002, the focus in dealing with the application for registration was on the state of the register at the time of determination of the application and not on the nominal state of the register as at the application date.²¹

[25] The Court of Appeal did not consider that s 68(2) of the 2002 Act brought about a change from the position under the 1953 Act, which did not contain a similar provision. In the Court’s view, s 68(2) was merely “an ameliorative provision to prevent the prospect of infringement proceedings being pursued by [registered trade mark] owners whose registrations had been revoked”.²² The Court considered that this conclusion was supported by the legislative history.²³ The first time any provision equivalent to s 68(2) was enacted was in the Trade Marks Act 1994 (UK).²⁴ The Court relied on the fact the 1994 UK Act was enacted to implement a European Council Directive.²⁵ The Court considered that the genesis of the provision equating to s 68(2) was in art 11(3) of the Directive, which provides for a shield against infringement proceedings but is not explicit as to the effective date of the protection.²⁶

²⁰ CA judgment, above n 7, at [49].

²¹ At [47]–[54]. In accepting Johnson’s submission, the Court referred to *Re Trade Mark Brandivino* (1974) 1 NZIPR 254 (Patent Office); *Legal & General Life of Australia Ltd v Carlton-Jones & Assoc Pty Ltd* (1987) 9 IPR 447 (Patent Office) at 451; *Re Trade Mark “Palmolive”* (1932) 49 RPC 269 (Comptroller-General of Patents) at 277; and *Kambly SA Spécialités de Biscuits Suisses v Intersnack Knabber-Gebäck GmbH & Co KG* [2004] EWHC 943 (Ch) at [26].

²² At [61].

²³ See the Court’s discussion of the legislative history at [62]–[68].

²⁴ At [62]. Section 46(6) of the Trade Marks Act 1994 (UK) was replicated in s 22(8) of the Trade Marks Act (Cap 332, 1999 Rev Ed) (Singapore). Section 22(8) of that Act became s 22(7) of the 2005 Revised Edition. The 2002 Act (NZ) suggests that s 68 is based on the Singaporean s 22(7) and (8).

²⁵ Directive 89/104/EEC First Council Directive of 21 December 1988 to approximate the laws of the Member States relating to trade marks [1989] OJ L40/1.

²⁶ At [62]–[64]. Compare *Halsbury’s Laws of England* (5th ed, 2014) vol 97A Trade Marks and Trade Names at [96], n 4, which considers that s 46(6) of the UK Act has no antecedent in the Directive.

[26] The Court of Appeal discussed two cases decided under similar provisions to s 68(2): *RIVERIA Trade Mark*,²⁷ a decision of the United Kingdom Trade Marks Registry, and *Campomar SL v Nike International Ltd*,²⁸ a decision of the Singapore Court of Appeal. Both decisions held that an application for revocation must have an effective date prior to the date of an application for registration of a conflicting mark in order for the application for registration to proceed to registration.²⁹

[27] The Court of Appeal considered that the interpretation in those cases of provisions equivalent to s 68(2) was erroneous. In particular, the Court rejected the premise in *Campomar* that having two identical trade marks belonging to two different owners on the register at the same time was an unacceptable phenomenon.³⁰ The Court said:

[83] For these reasons we do not consider that the interpretation which found favour in *RIVERIA* and *Campomar* is consistent with the scheme of the legislation. In our view the purpose which *Campomar* attributes to the equivalent of s 68(2) is misplaced. Although s 68(2) enables the effective date of removal to be earlier than the date of the actual order for removal, it has no bearing on the date on which an applicant for revocation may file its own application for registration. ... [W]e can discern no indication that the legislature contemplated such a significant change to long-established trade mark practice.

[28] The Court also outlined practical difficulties with the interpretation put forward by ICB.³¹ The Court said that commencement or resumption of use between the expiry of the three-year period and the revocation application would defeat a revocation application if preparation to start or resume use had begun before the registered owner was made aware that the application might be made. To reduce this risk, an applicant needs to ensure the registered owner is put on notice that a revocation application might be made.³² In order to avoid the risk of losing priority, however, the applicant

²⁷ *RIVERIA Trade Mark* [2003] RPC 50 (Trade Marks Registry), on s 46(6) of the Trade Marks Act 1994 (UK).

²⁸ *Campomar SL v Nike International Ltd* [2011] SGCA 6, [2011] 2 SLR 846, on s 22(7) of the Trade Marks Act (Cap 332, 2005 Rev Ed) (Singapore). The Court in *Campomar* considered *RIVERIA*, above n 27, at [33]–[37].

²⁹ *RIVERIA*, above n 27, at [20]; and *Campomar*, above n 28, at [29].

³⁰ CA judgment, above n 7, at [60]–[61], referring to *Campomar*, above n 28, at [38].

³¹ At [78].

³² At [76], referring to s 66(3) and (4) of the 2002 Act.

has to lodge its application for registration at the same time it puts the owner on notice for the purposes of s 66(4).³³

[29] In the Court's view, if the reasoning in *RIVERIA* and *Campomar* is sound, the application for registration cannot pre-date the application for revocation. This would mean that the object of the one-month grace period would be lost.³⁴ The Court did not consider backdating the revocation under s 68(2)(b) an answer as it would require a de facto extension of the three-year non-use period because any backdating had to be to a date when the grounds for revocation existed (which, it said, would need to be a period of three years and one month after commencement of the non-use).³⁵

[30] The Court's conclusion was that, while issues concerning use and intention to use are determined as at the date of filing an application,³⁶ the scheme of the 2002 Act means that, when deciding if an application should proceed to registration, the critical date for consideration of the state of the register is the actual date of entry on the register.³⁷ This accords with the practice of the Intellectual Property Office of New Zealand.³⁸

Submissions

[31] A summary of the parties' submissions on the first two issues follows.

ICB's submissions

[32] ICB submits that the 2002 Act requires an applicant for a trade mark to be able to demonstrate a legitimate claim to ownership when the applicant applies for registration. In this case, because ICB's trade mark for ZIPLOC was not revoked until

³³ At [78]. The Court of Appeal at [49] referred to *Unilever plc v Cussons (New Zealand) Pty Ltd* [1997] 1 NZLR 433 (CA), a case under s 35 of the 1953 Act (the antecedent provision to s 66 of the 2002 Act). In that case, Unilever had responded to a warning from Cussons that Unilever's earlier registration was vulnerable to removal for non-use by filing a second application to register the same trade mark. In doing so, Unilever gained priority over Cussons' application for registration, which was filed later.

³⁴ At [78].

³⁵ At [79]–[82].

³⁶ At [84], citing *Pioneer Hi-Bred Corn Co v Hy-Line Chicks Pty Ltd* [1978] 2 NZLR 50 (CA) at 61.

³⁷ At [84], citing *Kambly*, above n 21; and *Campomar*, above n 28.

³⁸ Intellectual Property Office of New Zealand "Practice guidelines: Overcoming a citation" (27 October 2015) <www.iponz.govt.nz> at [7.9].

22 April 2013, Johnson was not the owner of the mark on the date it applied for registration. The rights attached to registration continue to exist until the date of the application to revoke (unless the backdating in s 68(2)(b) of the 2002 Act is invoked). They should not be removed by a side wind.

[33] In addition, ICB points out that the Court of Appeal's conclusion on s 68(2) is at odds with the position under the almost identical provisions of the relevant Trade Marks Acts in the United Kingdom and Singapore. It is submitted that it is important to interpret the legislation consistently with the same or similar statutory provisions in comparable overseas jurisdictions, especially given the historic linkage of our trade marks legislation with that of the United Kingdom.

[34] ICB submits that there is no practical difficulty with its interpretation. A potential applicant for revocation can still give notice at the end of the three-year non-use period and file its application for registration. The application for revocation made at the end of the one-month period could then seek a backdating of the revocation to the end of the three-year period, thereby retaining the benefit of the one-month grace period.

Johnson's submissions

[35] Johnson supports the judgment of the Court of Appeal. It submits that there is nothing in the wording of s 68(2) or the legislative history that suggests any change to the established law on assessing the state of the register, which should continue to be considered at the date of actual registration. It also submits that ICB's interpretation is inconsistent with s 44(2) of the 2002 Act, which allows a trade mark application to be put into abeyance pending the outcome of, among other things, revocation action against another registered trade mark.³⁹

[36] Johnson supports the Court of Appeal's conclusion about the practical difficulties involved and in particular what it submits would be the loss of the

³⁹ Johnson also relies on the Trade Marks Regulations 2003, regs 63 and 64. Those regulations require an applicant for registration of a trade mark who has been issued with a notice of non-compliance to notify the Commissioner of related proceedings and the outcome of those proceedings.

one-month grace period. It also says that an applicant to register a trade mark is often unaware of an existing registration that is an obstacle to registration until it receives the examination report under s 39.⁴⁰ It would only be at this time, well after the application has been filed, that the applicant would become aware of the competing registration and apply for revocation. This could lead to it losing priority by the existing registrant filing a new application for registration.

When is the state of the register assessed?

[37] Under s 28(1) of the 1953 Act, the Commissioner was obliged to register a trade mark if the application had not been opposed and the time for opposition had expired or any opposition had been determined in favour of the applicant.⁴¹ The trade mark had to be registered “as of the date of the application for registration” and that date was “deemed for the purposes of [the] Act to be the date of registration”.⁴²

[38] As the Court of Appeal noted, the 1953 Act was not explicit about the effective date of revocation but the accepted view seems to have been that revocation occurred at the time the revocation order was actually made.⁴³ Any application for registration by a new owner would thus almost inevitably have been filed before the revocation order. Otherwise, the applicant would have risked losing priority.⁴⁴

[39] Under the 1953 Act, because of the inevitable mismatch between the date of application for registration and the date of revocation, it made sense for the state of the register to be judged at the date of the determination of the new registration application. Had the position been judged at the date of the application for the new registration, then the old registration would still have been in place (given that revocation occurred only at the date of the order). Section 17(1) of the 1953 Act prohibited identical marks belonging to different people being on the register, unless the exceptions in s 17(2) applied.⁴⁵ Of course, judging the register at the time of

⁴⁰ Relying on CA judgment, above n 7, at [52].

⁴¹ The Commissioner was so obliged unless the application had been accepted in error or the Court had directed otherwise.

⁴² 1953 Act, s 28(1).

⁴³ CA judgment, above n 7, at [49].

⁴⁴ At [50]–[51], referring to *Cussons*, above n 33.

⁴⁵ Section 17(2) provided for the honest concurrent use exception, now found in s 26(b) of the 2002 Act.

revocation did not completely remove the s 17(1) issue because registration was retrospective and revocation was not.

[40] The position is different under the 2002 Act. Under the 2002 Act, as under the 1953 Act, registration takes effect from the date of the application for registration.⁴⁶ However, under the 2002 Act, the date a revocation order is made is no longer the date the revocation takes effect. Under s 68(2), if a revocation application is successful, revocation occurs from the date of that revocation application (or any earlier date set by the Commissioner or the High Court, provided the grounds for revocation existed at that earlier date).

[41] The issue is whether the 2002 Act and in particular s 68(2) of that Act changed the position from that prevailing under the 1953 Act so that, under the 2002 Act, the register is assessed as at the date of application for registration for the purpose of ascertaining whether there are competing marks.

[42] As noted above, the Court of Appeal held that the position remained unchanged: the register is assessed at the date of entry onto the register under the 2002 Act to ascertain whether there is a competing mark on the register at that date. This is the same position as under the 1953 Act. The Court did not consider that s 68(2) of the 2002 Act changed the position.⁴⁷

[43] Assessing the register as at the date of entry onto the register accords with the decision of the Singapore Court of Appeal in *Campomar*.⁴⁸ In that case, the Court said this was because “events which occurred between the date of application for registration and the date on which the decision on the application was made ought to be taken into account”.⁴⁹

⁴⁶ Sections 11(b) and 57(1).

⁴⁷ CA judgment, above n 7, at [61].

⁴⁸ *Campomar*, above n 28, at [18] and [28].

⁴⁹ At [20], relying on *Kambly*, above n 21; and *TRANSPAY Trade Mark* [2001] RPC 10 (Trade Marks Registry). In finding that the relevant date is the date of entry onto the register, the Court in *Campomar*, above n 28, at [23] relied on the finding at [26] of *Kambly* in respect of s 13 of the Trade Marks Act 1938 (UK) (equivalent to s 25 of the 2002 Act), which in turn relied on the older cases of *GE Trade Mark* [1973] RPC 297 (HL); and *Re Trade Mark “Palmolive”*, above n 21.

[44] By contrast, *RIVERIA* appears to have proceeded on the assumption that the matter is assessed as at the date of the application.⁵⁰ That issue was not, however, squarely before the Trade Marks Registrar.⁵¹

[45] We agree with the Court of Appeal that s 68(2) of the 2002 Act did not change the date of assessment of the register,⁵² except to the extent outlined in the next section of this judgment.⁵³ As the Singapore Court of Appeal held, assessing the register at the time of entry onto the register so that later events can be taken into account is “sensible, pragmatic and realistic”.⁵⁴

[46] This conclusion does not mean an end to the matter. We must still consider whether the date of application remains relevant in the context of revocation.

Is the date of application still relevant?

[47] The case of *RIVERIA* concerned an application to invalidate a later trade mark made by the proprietor of the earlier mark, where the earlier similar trade mark had already been revoked.⁵⁵ The Trade Marks Registrar held that s 46(6) of the Trade Marks Act 1994 (UK), the equivalent of s 68(2) of the 2002 Act, “make[s] it clear that the rights of the proprietor of a revoked registration continue to exist up until the date of the application for revocation, unless the registrar is satisfied that the grounds for revocation existed at an earlier date”.⁵⁶ If there is no request that the registration be revoked at an earlier date, the registrar could not be so satisfied. The trade mark

⁵⁰ *RIVERIA*, above n 27. Counsel for Campomar made that submission before the Singapore Court of Appeal but this was rejected: *Campomar*, above n 28, at [33].

⁵¹ The Singapore Court of Appeal in *Campomar*, above n 28, at [41] said that the application was nevertheless considered in *RIVERIA*, above n 27, in light of the facts at the date of the hearing. We comment that in *RIVERIA* it was acknowledged, at [16]–[19], that the position was different in the case of trade marks that lapse due to non-renewal or surrender. In that case, the register is assessed at the date of entry onto the register.

⁵² CA judgment, above n 7, at [61].

⁵³ See comment below at n 65.

⁵⁴ *Campomar*, above n 28, at [18]. We agree with the Court of Appeal (CA judgment, above n 7, at [84]) that this is also consistent with the scheme of the Act, including the Trade Marks Regulations, regs 63 and 64, which allow the application to be put on hold pending the outcome of an opposition proceeding relating to a prior application.

⁵⁵ *RIVERIA*, above n 27.

⁵⁶ At [14].

“remains enforceable in respect of matters arising at any time prior to the date at which the rights of the proprietor cease to have effect”.⁵⁷ It was therefore held:

[20] The net result of this is that it is vital for a party seeking to revoke an earlier trade mark in order to clear the way for its own application, or to resist an application to have its own registration declared invalid on the basis of the earlier trade mark, to make a request in its application for the conflicting earlier trade mark to be revoked with effect from a date which precedes the date of its own application for registration.

[48] Despite finding that the register is assessed at the time of entry onto the register, the Singapore Court of Appeal in *Campomar*, relying on *RIVIERIA*, held that the date of application was still relevant in cases where the entry of a later mark would “result in the existence of two similar or identical marks, belonging to different parties, on the register at *any period of time*”.⁵⁸ The Court held that the scheme of the legislation does not accord with having two similar or identical registered marks owned by two different parties on the register.⁵⁹

[49] The Singapore Court of Appeal agreed with the point made in *RIVERIA* that the rights of the proprietor of a revoked registration continue to exist up until the date of the application for revocation, unless the registrar is satisfied that grounds for revocation existed at an earlier date. It said:⁶⁰

Otherwise, the subsequent revocation of an earlier mark ... after the later mark had been registered ... would have the effect of retrospectively extinguishing the rights of the proprietor of the earlier mark during the overlapping period when *both* the later mark and earlier mark would be found on the register.

[50] The Court pointed out that revocation does not mean the mark was never on the register. The Court said:

[40] To recapitulate, what we would underscore is that while the Registrar, in considering an application to register a mark in the face of an opposition under s 8(1) [equivalent to s 25 of the 2002 Act], is entitled to take into account all the circumstances up to that point in time, including the revocation of an earlier identical registered mark, the Registrar should not disregard the fact, as in this case, that the registration of the later mark would give rise to there being on the register two identical marks being owned by two different parties for a period of time.

⁵⁷ At [15].

⁵⁸ *Campomar*, above n 28, at [41].

⁵⁹ At [38]–[40].

⁶⁰ At [35].

[51] The Court considered that “the provisions in s 22(7)(b) of the TMA 2005 [equivalent to s 68(2) of the 2002 Act] must have been added to address, *inter alia*, this difficulty”.⁶¹

[52] The answer to the undesirable situation of two marks being on the register (as a consequence of the Court’s first finding) lay in the backdating provision in s 22(7).⁶²

[53] We consider the reasoning in *Campomar* and *RIVERIA* applies in New Zealand under the 2002 Act with regard to revocation.⁶³ We point out that having two similar or identical marks belonging to different parties on the register is expressly prohibited by s 25(1) of the 2002 Act, subject to the exceptions set out in s 26.⁶⁴ We also accept ICB’s submission that this is an area where, if possible, similar provisions should be interpreted in the same way across comparable jurisdictions.⁶⁵

[54] Unlike the Court of Appeal, we do not consider there is anything in the legislative history that militates against an interpretation that aligns with the position in the United Kingdom and Singapore. We consider it significant that there is no provision in the European Council Directive directly equivalent to s 68(2) and nothing in the legislative history of the Trade Marks Act 1994 (UK) linking the equivalent provision to art 11(3) of the Directive.

[55] Section 68(2) allows revocation to occur at a date earlier than the revocation application. This means that the date can be set to match the application date for the new registration application, provided the grounds in s 66 for revocation existed at that time.⁶⁶ Backdating a revocation application to align with the date of registration

⁶¹ At [40].

⁶² At [29].

⁶³ We consider the position as regards non-renewal and surrender accords with the position outlined in *RIVERIA*, above 27. We did not understand the Singapore Court of Appeal in *Campomar*, above n 28, to disagree with this.

⁶⁴ Section 26 is set out below at [68].

⁶⁵ We comment that we do not rule out the possibility that, even under the 1953 Act, an application for revocation had to precede the application for registration, or at least be made at a time when the grounds for revocation existed. Otherwise, the same issue outlined in *RIVERIA*, above n 27, and *Campomar*, above n 28, of depriving a registered proprietor of rights retrospectively could have arisen. If that were the case, then s 68(2) of the 2002 Act did not in fact change the law but only provided a means, through backdating, of alleviating the consequences.

⁶⁶ Section 68(2)(b). See also *RIVERIA*, above n 27, at [20]; and James Mellor and others *Kerly’s Law of Trade Marks and Trade Names* (16th ed, Sweet & Maxwell, London, 2018) at [7-043]. [*Kerly’s*].

means that there will be no issue with s 25(1) of the Act as there will not be two identical or similar registered trade marks on the register at the same time.⁶⁷

[56] We reject Johnson’s submission that this interpretation renders s 44(2) otiose.⁶⁸ It is still necessary, on our view, to deal with a revocation application before dealing with an application for a new registration, even if the application for the new registration is filed at the same time or shortly after a revocation application.⁶⁹

[57] Turning to the alleged practical difficulties, we accept ICB’s submission that the object of the one-month grace period in s 66 is not lost.⁷⁰ A warning could still be given at the end of the three-year non-use period, with the application for new registration being lodged at the same time.⁷¹ The revocation application could then be filed later, after the one-month grace period, with a request, under s 68(2)(b), that revocation be backdated to the end of the three-year period of non-use (the date of the application for the new registration). Contrary to the view of the Court of Appeal,⁷² we consider it is possible to backdate the revocation to the end of the three-year non-use period. The period of non-use giving rise to a ground for revocation is three years and does not include the one-month grace period.⁷³

[58] We accept that this means that an applicant must remember to apply to backdate the revocation under s 68(2). This is, however, a technical statute and there will always be tactical issues involved in deciding when to file revocation applications and/or give notice of an intention to do so.⁷⁴ We have found little commentary in the

⁶⁷ Section 25(1)(a) is set out below at [67]. It is the equivalent of s 17(1) of the 1953 Act.

⁶⁸ See above at [35].

⁶⁹ See ss 41 and 44; see also Trade Marks Regulations, regs 63 and 64.

⁷⁰ Compare CA judgment, above n 7, at [78].

⁷¹ A warning accompanied by the filing of a registration application would avoid the *Cussons* (above n 33) issue. We were not asked to consider whether *Cussons* would be decided the same way under the 2002 Act.

⁷² See CA judgment, above n 7, at [79].

⁷³ See “*Philosophy di Alberta Ferreti*” Trade Mark [2002] EWCA Civ 921, [2003] RPC 15 at [7]; *Kerly’s*, above n 66, at [12-085]; and Tee Jim Tan *Law of Trade Marks and Passing Off in Singapore* (3rd ed, Sweet & Maxwell, Singapore, 2014) vol 1 at [9.092]. See also Intellectual Property Office (UK) “Form TM26(N)” (May 2018) <assets.publishing.service.gov.uk>. We accept that there are differences in wording between the United Kingdom and Singaporean provisions and the New Zealand provisions. We do not consider they are material in this context.

⁷⁴ See discussion in *Kerly’s*, above n 66, at [12-084]–[12-090]. See in particular the “dilemma” discussed at [12-087] as to when notification should be given and the “not necessarily perfect” solution suggested.

United Kingdom or Singapore expressing the concerns outlined by the Court of Appeal,⁷⁵ despite there being a grace period in these jurisdictions.⁷⁶

[59] Johnson also refers to the position of those who only find out about competing registrations after the receipt of the examination report from the Commissioner. There are, however, search facilities on the New Zealand Intellectual Property Office website to lessen the risk of an applicant being in this position. There is also a “search and preliminary advice” service, which is recommended for those who are unfamiliar with the trade mark registration process.⁷⁷

[60] For all of the above reasons, we hold that the state of the register at the date of application remains relevant.⁷⁸ Any application for revocation must predate the application for registration or there must be an application for backdating under s 68(2).⁷⁹ In this case, Johnson’s application for registration preceded the revocation application and there was no application for backdating.

⁷⁵ But see Michael Handler and Robert Burrell “Zombie marks? Ceased registrations, failed applications and citation objections under s 44 of the Trade Marks Act” (2013) 23 AIPJ 206 at 217, n 40 (which says that the Singapore Court of Appeal’s reasoning on s 22(7) in *Campomar*, above n 28, suffers from the problem that the effective date of the removal of a registered mark necessarily impacts on a tribunal’s assessment, once that removal has occurred, of whether the mark is a “registered” mark under provisions requiring an application for the registration of an identical mark to be rejected).

⁷⁶ The United Kingdom and Singapore both have a five-year non-use period (as opposed to the three-year period in New Zealand) within which genuine use must be made, and a three-month grace period prior to the revocation application within which resumption or commencement of genuine use by the registered person will defeat the revocation application, provided that preparations for that resumption or commencement began before the registered person became aware that a revocation application may be made: Trade Marks Act 1994 (UK), s 46(1) and (3); and Trade Marks Act (Cap 332, 2005 Rev Ed) (Singapore), s 22(1) and (3)–(4). We have found no negative commentary relating to the possible effect of the grace periods.

⁷⁷ See New Zealand Intellectual Property Office “Search and preliminary advice” <www.iponz.govt.nz>.

⁷⁸ The effect of the two findings in *Campomar*, above n 28, (which we have adopted) is that, where revocation is concerned, the register must be assessed for the presence of competing marks at two points: at the time of application and of registration.

⁷⁹ Or alternatively an applicant could ask for a finding of special circumstances under s 26: see below at [80].

Was ICB the owner of the ZIPLOC trade mark at the date of Johnson’s April application?

Assistant Commissioner’s decision

[61] The Assistant Commissioner noted that ICB was still the registered owner of its ZIPLOC trade mark as at the date of Johnson’s application on 19 April 2013 and said that the same outcome would be achieved by the application of the criteria in *Newnham*.⁸⁰

[62] The Assistant Commissioner held that, on the balance of probabilities, there had been prior use of the ZIPLOC mark in New Zealand on the relevant goods by ICB and that Johnson had not discharged its onus of establishing no prior use.⁸¹ This finding was based on the evidence given by a director of ICB that, between November 2009 and December 2010, a company in the ICB group had sold ZIPLOC branded sandwich bags to a distributor in New Zealand. This evidence was corroborated by an invoice issued on 11 November 2009.⁸²

High Court decision

[63] On appeal to the High Court, Cull J considered that there were issues with the evidence before the Court as to ownership and, in particular, prior use.⁸³ She therefore referred the proceeding back to the Assistant Commissioner to determine whether ICB or Johnson was the true owner of the trade mark ZIPLOC at the relevant time.⁸⁴

Court of Appeal decision

[64] The Court of Appeal held that if a person whose registered trade mark is removed for non-use wishes to make a fresh application for registration, the person can only rely on use that comes after the continuous period of three years’ non-use. This meant that the “November 2009 use upon which ICB sought to rely cannot be prayed in aid of ICB’s opposition on the grounds of prior ownership to Johnson’s

⁸⁰ Assistant Commissioner decision, above n 4, at [39], referring to *Newnham*, above n 16.

⁸¹ At [46] and [53].

⁸² At [47]–[48].

⁸³ HC judgment, above n 6, at [137].

⁸⁴ At [138]–[140], referring to the principles in *North Face Apparel*, above n 9, at [17], [21]–[23] and [30].

application”.⁸⁵ As a result, the Court of Appeal did not consider it necessary to refer any question of ownership back to the Assistant Commissioner. This is because the only conclusion the Assistant Commissioner could reach was that, as a person intending to use the trade mark, Johnson has a legitimate claim to ownership which is not defeated by any qualifying use of the trade mark by ICB.⁸⁶

Our assessment

[65] As noted above, this Court refused leave on the ownership issues ICB sought to raise.⁸⁷ This means that whether the Court of Appeal was correct to hold that Johnson has a legitimate claim to ownership is not before us.⁸⁸

[66] We do, however, need to deal with ICB’s submission that the fact that ICB was still the registered owner of the ZIPLOC trade mark as at 19 April 2013 means that Johnson’s application cannot proceed to registration, despite Johnson’s legitimate claim to ownership. That depends on the effect of s 26 of the 2002 Act, to which we now turn.

What is the effect of s 26?

The legislation

[67] Sections 25 and 26 provide for the registrability of identical or similar trade marks. Section 25 provides in relevant part:⁸⁹

⁸⁵ CA judgment, above n 7, at [91]. It considered that earlier use which predates the continuous period of non-use may be relevant when considering deception or confusion under s 17(1)(a) of the 2002 Act: at [91].

⁸⁶ At [95]. The Court noted that there were also no live issues under s 17 and so it was not necessary to refer the matter back to the Assistant Commissioner on those grounds either: at [94].

⁸⁷ Leave judgment, above n 8; and see above at [9].

⁸⁸ Therefore we do not need to deal with the test for ownership, the statutory or other basis of the ownership requirement and any factual issues associated with ownership in this case, including the effect of s 13(2)(a) of the 2002 Act. Some of these ownership issues are not totally straightforward: see the discussion in Mark Davison and Ian Horak *Shanahan’s Australian Law of Trade Marks and Passing Off* (5th ed, Thomson Reuters, Pyrmont (NSW), 2012) at 61–89; Paul Sumpter *Trade Marks in Practice* (4th ed, LexisNexis, Wellington, 2018) at [TMA 5.2]; and Duncan Liang and Ian Finch (eds) *James & Wells Intellectual Property Law in New Zealand* (3rd ed, Thomson Reuters, Wellington, 2017) at [35.7.4.1(2)].

⁸⁹ Section 25(1)(a) was amended by s 5(1) of the Trade Marks Amendment Act 2005 to refer also to s 36 (the earlier provision referred only to s 34).

25 Registrability of identical or similar trade mark

- (1) The Commissioner must not register a trade mark (**trade mark A**) in respect of any goods or services if—
- (a) it is identical to a trade mark (**trade mark B**) belonging to a different owner and that is registered, or has priority under section 34 or section 36,—
 - (i) in respect of the same goods or services; or
 - (ii) in respect of goods or services that are similar to those goods and services, and its use is likely to deceive or confuse; or
 - (b) it is similar to a trade mark (**trade mark C**) that belongs to a different owner and that is registered, or has priority under section 34 or section 36, in respect of the same goods or services or goods or services that are similar to those goods or services, and its use is likely to deceive or confuse; or
 - (c) it is, or an essential element of it is, identical or similar to, or a translation of, a trade mark that is well known in New Zealand (**trade mark D**), whether through advertising or otherwise, in respect of those goods or services or similar goods or services or any other goods or services if the use of trade mark A would be taken as indicating a connection in the course of trade between those other goods or services and the owner of trade mark D, and would be likely to prejudice the interests of the owner.
- (2) Section 26 overrides subsection (1).

[68] Section 26 provides:

26 Exceptions

The Commissioner must register trade mark A if—

- (a) the owner of trade mark B, ... consents to the registration of trade mark A; or
- (b) the Commissioner or the court, as the case may be, considers that a case of honest concurrent use exists, or other special circumstances exist, that, in the opinion of the court or the Commissioner, makes it proper for the trade mark to be registered subject to any conditions that the court or the Commissioner may impose.

[69] Subpart 1 of Part 4 specifies a number of acts that do not amount to infringement of a trade mark. Sections 93 and 96 were raised in this case.

[70] Section 93 provides:

93 No infringement where more than 1 identical or similar registered trade mark used

A registered trade mark is not infringed by the use of another registered trade mark in relation to any goods or services for which that other trade mark is registered.

[71] Section 96 provides:

96 No infringement for certain continuous use of unregistered trade mark

(1) A registered trade mark (**trade mark A**) is not infringed by the use of an unregistered trade mark (**trade mark B**) if—

(a) trade mark B is identical with or similar to trade mark A and is used in relation to any goods or services that are identical with or similar to any goods or services in respect of which trade mark A is registered; and

(b) trade mark B was used in relation to those goods or services in the course of trade by the owner or a predecessor in title of the owner before whichever is the earlier of the following dates:

(i) the date of application in New Zealand for the registration of trade mark A; or

(ii) the date that the owner, or a predecessor in title, first used trade mark A; and

(c) trade mark B has been used continuously in relation to those goods and services in the course of trade by the owner's predecessors in title (if any) and the owner since that date.

(2) Nothing in this Act entitles the owner of a registered trade mark to—

...

(b) object (if use is proved) to that person being put on the register for that identical or similar trade mark in respect of those goods or services or similar goods or services.

Assistant Commissioner's decision

[72] On the ground of opposition set out at [5(b)] above, the Assistant Commissioner was of the view that special circumstances existed in terms of s 26(b) of the 2002 Act. Those special circumstances were that ICB's trade mark registration was revoked only three days after the relevant date, with those three days including a

weekend.⁹⁰ As s 26(b) overrides s 25(1) of the Act, ICB's ground of opposition under s 25(1)(a) was held to be unsuccessful.

[73] The Assistant Commissioner did not consider this result to be inconsistent with the ground of opposition set out above at [5(a)], the s 32(1) ground based on ICB's ownership claim. In her view, s 25(1) is "aimed at preventing likely deception or confusion".⁹¹ She considered there was no likelihood of deception or confusion in this case, given there were at most only three days where the two marks were both notionally registered.⁹² By contrast, s 32(1) relates to proprietary rights. The ownership requirement therefore still had to be met.⁹³

High Court decision

[74] The High Court considered that the Assistant Commissioner's finding of special circumstances appropriately resolved the date anomaly because the Commissioner could only register a trade mark if satisfied that the applicant was the owner.⁹⁴ However, the High Court disagreed with the Assistant Commissioner's conclusion that the s 32(1) finding trumped special circumstances under s 26.⁹⁵

Court of Appeal decision

[75] Given the Court of Appeal's conclusion on the date the state of the register is assessed, it did not need to deal with s 26.

ICB's submissions

[76] ICB does not challenge the special circumstances finding but argues that s 26 cannot override the s 32(1) ownership requirements. It submits that Johnson cannot meet the ownership requirements because, at the date of Johnson's application (19 April 2013), ICB was still the registered owner of the trade mark ZIPLOC.

⁹⁰ Assistant Commissioner decision, above n 4, at [81].

⁹¹ At [82].

⁹² At [82].

⁹³ At [83].

⁹⁴ HC judgment, above n 6, at [64].

⁹⁵ At [65].

[77] It is argued by ICB that the words “claiming to be the owner” in s 32(1) mean that there is a requirement in the Act that the applicant must demonstrate a legitimate claim to ownership of the trade mark when the applicant applies for registration. This must be shown to be the case by an applicant by virtue of s 13(2)(a), which provides that an application must be made in accordance with the Act.

Johnson’s submissions

[78] Johnson submits that the 2002 Act recognises that there can concurrently be an owner of a registered trade mark and a different owner of an identical unregistered trade mark. It submits that s 26 is consistent with this view, as are ss 93 and 96. In this case the Assistant Commissioner effectively concluded that there can only be one owner of a trade mark (ICB as registered owner), despite finding that special circumstances existed for the purpose of s 26.

Our assessment

[79] Section 25(1)(a) provides that the Commissioner cannot register a mark that is identical to a registered trade mark that belongs to a different owner. ICB was the registered owner of ZIPLOC as at 19 April 2013, the date of Johnson’s application. Assuming s 25(1)(a) applies, Johnson’s trade mark could not be registered because it would mean that, as of 19 April 2013, there would have been two identical marks on the register.

[80] Section 26, however, overrides s 25(1)(a) by virtue of s 25(2). Section 26(b) provides that the Commissioner must register an identical trade mark if, among other things, special circumstances exist that, in the opinion of the Commissioner, make it proper for the trade mark to be registered.⁹⁶ We note that s 26 is couched in mandatory terms: “must register”.

[81] Contrary to ICB’s submission, the fact of registration alone cannot stop Johnson’s application proceeding to registration. The very foundation of s 26 is that there can be more than one identical or similar registered trade mark belonging to

⁹⁶ Subject to any conditions that might be imposed.

different owners in the circumstances set out in s 26.⁹⁷ There must be something more than merely registration or s 26 could never have any application.⁹⁸ We agree that ss 93 and 96 are consistent with this interpretation.

[82] As explained in the previous section, the Court of Appeal held that ICB cannot rely on events that pre-dated the non-use period to found any claim to ownership and this finding is not under challenge before us.⁹⁹ This means that there is nothing ICB can put forward, other than mere registration, to defeat what the Court of Appeal held to be Johnson's legitimate claim to ownership. Therefore there is no impediment to Johnson's April application proceeding to registration.

Conclusion

[83] We have concluded, in line with the Singapore Court of Appeal decision in *Campomar*, that:

- (a) The register is assessed for competing marks as at the date of entry onto the register.¹⁰⁰
- (b) But the date of application remains relevant. There cannot be an identical or similar trade mark belonging to different parties on the register at the same time.¹⁰¹ This means that an application for registration of a trade mark must:¹⁰²
 - (i) not precede the date of application for revocation; or
 - (ii) if it does, there must be an application to backdate the revocation to the date of application for registration, or there

⁹⁷ This does not detract from the premise in *Campomar*, above n 28, at [38] that the scheme of the legislation is that there should not be two identical trade marks on the register with different owners. Section 26 is an exception to s 25.

⁹⁸ This means that we reject the view of the Assistant Commissioner that s 25 is only aimed at preventing likely deception or confusion: Assistant Commissioner decision, above n 4, at [82].

⁹⁹ See above at [64], citing CA judgment, above n 7, at [91].

¹⁰⁰ See above at [45].

¹⁰¹ See above at [53].

¹⁰² See above at [60].

must be a finding of special circumstances under s 26(b) or that one of the other exceptions in s 26 applies.

[84] This means that we have upheld ICB's appeal with regard to the effect of s 68(2). Nevertheless, the appeal must be dismissed because special circumstances were found to exist by the Assistant Commissioner.¹⁰³ As s 26 overrides s 25(1)(a), this means Johnson's April application can proceed to registration.¹⁰⁴

Result and costs

[85] The appeal is dismissed.

[86] Given that ICB has had success in the appeal on the major point argued, the interpretation of s 68(2), we consider the normal costs award should be discounted.

[87] We therefore hold that ICB must pay Johnson costs of \$10,000 plus usual disbursements. Costs in the Courts below (and those related to the decision of the Assistant Commissioner), if not able to be agreed, can be determined by those Courts and by the Assistant Commissioner in light of this judgment.

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¹⁰³ See above at [72].

¹⁰⁴ See above at [82]. As noted above at [64], the Court of Appeal held that Johnson had a legitimate claim to ownership which was not defeated by any qualifying use of the trade mark by ICB: CA judgment, above n 7, at [95].